MINNESOTA INVESTMENT FUND

MIF is a proven financing program that has resulted in projects in both Greater Minnesota and the Metropolitan Areas. This program has a strong history of using state loan dollars to leverage private sector investment to fuel job creation, business expansion and the creation of new tax base by Minnesota businesses. Since FY15, DEED has made 70 MIF awards valued at more than $36.4 million touching all corners of the state (with 36 awards in Greater Minnesota). MIF is a unique financing tool as repayments of MIF loans seed local revolving loan funds which are then used to leverage additional private financing and more economic growth. Minnesota communities rely on this program to remain competitive with neighboring states in their effort to bring jobs and tax base to Minnesota. MIF awards are expected to leverage more than $1.135 billion and create 4,837 jobs. EDAM supports the continued funding of MIF annually at stable levels.

JOB CREATION FUND

JCF is a performance-based program that has proven to be a solid complementary program to MIF. JCF encourages business investment and job creation by providing awards after the business meets performance commitments related to capital expenditures and full-time job creation. Without this program we are putting Minnesota at a competitive disadvantage compared to our neighboring states. Since FY15, the program has made 71 JCF awards valued at more than $30.8 million. This is a valuable program for the entire state as more than 50% of the projects (38) are in Greater Minnesota. The JCF awards are expected to leverage $920.5 million and create 4,463 jobs. Of these amounts, more than $227 million will be leveraged to create 1,200 full-time jobs in Greater Minnesota. Since the program is performance-based, no funds are provided until the business meets minimum program capital expenditures and job creation requirements. EDAM supports the continued funding of JCF as an important tool that enhances accountability and transparency of business financing in the state.

REDEVELOPMENT GRANT PROGRAM / DEMOLITION LOAN PROGRAM

DEED funds redevelopment projects through the Redevelopment Grant Program and Demolition Loan Programs. These funding mechanisms are vital to the growth and sustainability of communities as they remove financial barriers that exist on blighted sites. Funds are used to demolish blighted buildings and to prepare dilapidated sites so that business expansion and new business development can occur. The measurable results of these projects include creating quality jobs, removing blight and increasing the tax base. EDAM supports the continued funding of these programs annually at stable levels.
DELTA DENTAL, BEMIDJI

- $1 million MIF award
- $100,000 Redevelopment Grant award
- Total capital investment of approximately $14 million
- 165 jobs created

Stratacor/Delta Dental sought a desirable location in the Upper Midwest to replace customer care and back-office positions currently outsourced in Michigan. The new two-story office building will create more than 165 full-time equivalent positions in Bemidji, Minnesota.

DAIKIN, FARIBAULT

- $750,000 MIF award
- $1.6 million JCF award
- Total capital investment of over $48 million
- 132 jobs created

Daikin Applied Americas Inc., a major producer of commercial heating, ventilation and air conditioning systems, will expand its manufacturing operations and purchase new state-of-the-art equipment in Faribault, Minnesota. Daikin considered relocation to Texas and Mexico, but ultimately decided to remain in southern Minnesota because of its workforce quality and achievements with existing operations. The project was a true collaboration among economic development partners, with the City of Faribault and Rice County also providing financial assistance.

UPONOR, HUTCHINSON

- $450,000 MIF award
- $1.48 million JCF award
- Total capital investment of over $6 million
- 140 jobs created

Apple Valley-based Uponor North America renovated a 237,000 square foot facility in Hutchinson, Minnesota to accommodate a growing demand for crosslinked polyethylene pipe used in plumbing, fire sprinklers, radiant heating, and cooling systems. The facility reused a dilapidated building that was vacant for the last seven years.
SUCCESS STORIES

ILLUME, MAPLE GROVE

- **$450,000** MILF award
- **$175,000** JCF award
- Total capital investment of approximately **$37 million**
- 100 new jobs created
- 130 jobs retained

Illume Holdings, a global brand offering high quality home fragrances and personal care products, will relocate into a new 288,000 square foot facility in Maple Grove, Minnesota. The relocation will allow Illume to consolidate its operations down into a single site. Previously located in Bloomington, the company identified a larger site in Maple Grove. Bloomington officials supported the move, acknowledging the need for regional retention and growth.

OAK PARK MALL REDEVELOPMENT, AUSTIN

- **$375,000** Redevelopment Grant award
- Total capital investment of approximately **$19 million**
- 55 new jobs created

Oak Park Mall, built in 1973, was 94% vacant and in a state of disrepair prior to application submittal. DEED awarded Redevelopment Grant funds to Austin, Minnesota for the abatement and partial demolition of the mall so that Hy-Vee, Inc. would be able to construct a new 80,000 square foot grocery store and restaurant.

NORTHERN STACKS REDEVELOPMENT, FRIDLEY

- **$500,000** Redevelopment Grant award
- **$5,800,000** Contamination Cleanup Grant award
- Total capital investment of over **$130 million**
- 287 new jobs created

The Naval Industrial Reserve Ordnance Plant was a two million square foot facility built in the 1940s for the manufacture of gun mounts. DEED awarded Redevelopment Grant funds to Fridley, Minnesota for demolition of the site, relocation of the sanitary sewer, installation of a new water main, and connection of utility lines to newly constructed buildings. New tenants include a medical device engineering and manufacturing firm, a manufacturer of climbing walls and fitness equipment, and a global supplier of liquid and powder coatings.
OTHER PRIORITIES

Angel Investment Tax Credit. Originally authorized in 2010, the Angel Investment Tax Credit program expired in 2017. The program lured capital from out-of-state investors to Minnesota startup companies. Reauthorization of the program is critical to increasing innovation and encouraging startups in Minnesota.

Broadband Infrastructure. EDAM believes that broadband is critical infrastructure for continued economic development, particularly in rural Minnesota. EDAM supports funding of the Border to Border Broadband Grant Program to support continued deployment of advanced broadband networks.

Child Care. A lack of access to child care is a significant barrier to economic development, particularly in Greater Minnesota. Both regulatory and financial solutions are critical to expanding access to affordable child care.

Talent Recruitment. EDAM believes a comprehensive statewide program is necessary to assist businesses to attract and retain talent in Minnesota. By focusing on the availability of talent, the state will help regions with a much-needed boost to compete for new and expanding business development opportunities.

Transportation. EDAM supports increased statewide transportation funding to help grow Minnesota’s business economy.

WHO IS EDAM?

The Economic Development Association of Minnesota (EDAM) is a statewide association representing more than 400 public and private sector professionals involved with implementing state, regional, or local economic development initiatives. Our legislative policies are shaped by members’ unique experience and understanding of the tools and tactics that are most effective in positioning and marketing Minnesota as a location for corporate, small business, housing and community investment.

Economic developers generally focus on financing, marketing and implementation for:

- Developing public infrastructure;
- Facilitating business expansion and job creation and retention;
- Undertaking redevelopment;
- Marketing our communities’ benefits as a fine place to locate a business and live;
- Attracting, training and mobilizing a skilled local workforce;
- Addressing local housing needs.

EDAM’S VISION

Economic Development creates and retains jobs and increases incomes. This is done through supporting business expansion and entrepreneurship, promoting business development and retention, developing infrastructure, marketing to targeted industries, and enhancing human capital. EDAM’s legislative policies are established through surveying our members and consulting with our partners. EDAM members support continued investment in economic development programs so that Minnesota remains competitive with other jurisdictions, both nationally and internationally.

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